

FISCAL IMPACT STATEMENT ON BILL NO. **S.414, as Amended**

(Doc. No. 2439SJ05)

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TO:	The Honorable John E. Courson, Chairman, Senate Education Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Bryce Wilson		
DATE:	March 15, 2005	SBD:	2005320

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AUTHOR:	Senate Education Committee	PRIMARY CODE CITE:	59-149-50
SUBJECT:	LIFE Scholarship Eligibility, Retention and Grade Point Requirements		

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:  
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:  
See Below

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**BILL SUMMARY:**

This Bill, as amended, amends Section 59-149-50 so as to revise eligibility and retention requirements for the LIFE scholarship by including a requirement that cumulative grade point average (GPA) calculation, for eligibility purposes, must be inclusive of the student's GPA at all public or independent institutions attended by the student.

**EXPLANATION OF IMPACT:**

Commission on Higher Education (CHE) estimates enactment of this Bill would result in 10% of those LIFE scholarship recipients who lose their scholarships annually under the existing rules would retain those scholarships. CHE estimates an additional 576 four-year institution, 33 two-year regional institutions, and 113 technical college students would qualify or retain their scholarship under this change with regard to calculating grade point averages. Based on these assumptions the impact is estimated at \$3,278,898 annually. In addition, CHE estimates colleges and universities would incur additional costs associated with obtaining records and administering the change in calculation methodology. Additional temporary personnel costs are estimated at \$80,000 annually.

The total impact upon enactment is estimated at \$3,358,898. The impact on the General Fund of the State is at the discretion of the General Assembly. Additional costs of the scholarships can be covered with State General Funds and/or State Lottery Revenue. State General Funds and/or Tuition and Fee revenue may be used to cover additional temporary personnel costs.

**SPECIAL NOTES:**

Language in this Bill was contained in Act 187 of FY 03-04 (S.560 – LIFE Sciences Act).

Approved by:



Don Addy  
Assistant Director, Office of State Budget